

House Bill 473 (AS PASSED HOUSE AND SENATE)

By: Representatives Harbin of the 118th, Keen of the 179th, Stephens of the 164th, Ehrhart of the 36th, Kaiser of the 59th, and others

A BILL TO BE ENTITLED

AN ACT

To amend Title 50 of the Official Code of Georgia Annotated, relating to state government, so as to provide for grants for clean energy property for a limited period of time from federal funds allocated for such purposes; to provide for definitions; to provide for procedures, conditions, and limitations; to exempt the Georgia Technology Authority from certain sales and use taxes; to provide for related matters; to provide for an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Title 50 of the Official Code of Georgia Annotated, relating to state government, is amended by adding a new Code section to read as follows:

"50-23-21.

(a) As used in this Code section, the term:

(1) 'Authority' means the Georgia Environmental Facilities Authority.

(2) 'Clean energy property' includes any of the following:

(A) Solar energy equipment that uses solar radiation as a substitute for traditional energy for water heating, active and passive space heating and cooling, generating electricity, distillation, desalinization, or the production of industrial or commercial process heat, as well as related devices necessary for collecting, storing, exchanging, conditioning, or converting solar energy to other useful forms of energy;

(B) Energy Star certified geothermal heat pump systems;

(C) Energy efficient projects as follows:

(i) LIGHTING RETROFIT PROJECTS. 'Lighting retrofit project' means a lighting retrofit system that employs dual switching (ability to switch roughly half the lights off and still have fairly uniform light distribution), delamping, daylighting, relamping, or other controls or processes which reduce annual energy and power consumption by 30 percent compared to the American Society of Heating, Refrigerating, and Air Conditioning Engineers 2004 standard (ASHRAE 90.1.2004); and

(ii) ENERGY EFFICIENT BUILDINGS. 'Energy efficient building' means for other than single-family residential property new or retrofitted buildings that are designed, constructed, and certified to exceed the standards set forth in the American Society of Heating, Refrigerating, and Air Conditioning Engineers 2004 standard (ASHRAE 90.1.2004) by 30 percent; and

(D) Wind equipment required to capture and convert wind energy into electricity or mechanical power as well as related devices that may be required for converting, conditioning, and storing the electricity produced by wind equipment.

(3) 'Cost' means:

(A) In the case of clean energy property owned by a person, cost is the aggregate funds actually invested and expended by a person to put into service the clean energy property; and

(B) In the case of clean energy property a person leases from another, cost is eight times the net annual rental rate, which is the annual rental rate paid by the person less any annual rental rate received by the person from subrentals.

(4) 'Installation' means the year in which the clean energy property is put into service and becomes eligible for a grant allowed by this Code section.

(b)(1) The authority may issue a grant to any person for the construction, purchase, or lease of clean energy property that is placed into service in this state, other than in single-family residential structures, between January 1, 2009, and December 31, 2012, subject to the provisions of this Code section.

(2) A person that receives a grant allowed under this Code section shall not be eligible to claim any tax credit under Code Section 48-7-29.14 or any other grant under this Code section with respect to the same clean energy property.

(3) A person shall not receive a grant allowed in this Code section for clean energy property the person leases from another unless such person obtains the lessor's written certification that the lessor will not receive a grant under this Code section or claim a credit under Code Section 48-7-29.14 with respect to the same clean energy property.

(4) Grants shall not be issued under this Code section except to effect participation in a federal government program which authorizes the use of federal funds for purposes of this Code section. In no event shall the total amount of grants allowed by this Code section exceed federal funds allocated by the authority for such purposes. No funds derived from any other sources shall be granted under this Code section.

(5)(A) Any person seeking any grant provided for under this Code section shall submit an application to the authority for approval of such grant. The authority shall promulgate the forms on which the application is to be submitted. The authority shall review such application and shall approve such application upon determining that it

65 meets the requirements of this Code section within 60 days after receiving such
66 application, subject to availability of funds as provided by paragraph (4) of this
67 subsection.

68 (B) To apply for a grant allowed by this Code section, the person shall provide any
69 information required by the authority. Every person receiving a grant under this Code
70 section shall maintain and make available for inspection by the authority any records
71 that the authority considers necessary to determine and verify the amount of the grant
72 to which the person is entitled. The burden of proving eligibility for a grant and the
73 amount of the grant shall rest upon the applicant, and no grant shall be allowed to a
74 person that fails to maintain adequate records or to make them available for inspection.

75 (C) The authority shall issue the grants on a first come, first served basis. In no event
76 shall the aggregate amount of grants approved by the authority for all applicants under
77 this Code section exceed the limitations specified in paragraph (4) of this subsection.

78 (6) Any grant allowed by paragraph (1) of this subsection shall not exceed the lesser of
79 35 percent of the cost of the clean energy property described in subparagraphs (a)(2)(A)
80 through (a)(2)(D) of this Code section or the following grant amounts for any clean
81 energy property:

82 (A) A ceiling of \$500,000.00 per installation applies to solar energy equipment for
83 solar electric (photovoltaic), other solar thermal electric applications, and active space
84 heating and wind equipment as described in subparagraphs (a)(2)(A) and (a)(2)(D), of
85 this Code section;

86 (B) The sum of \$100,000.00 per installation applies to clean energy property related
87 to solar energy equipment for domestic water heating as described in subparagraph
88 (a)(2)(A) of this Code section which is certified for performance by the Solar Rating
89 Certification Corporation, Florida Solar Energy Center, or by a comparable entity
90 approved by the authority to have met the certification of Solar Rating Certification
91 Corporation OG-100 or Florida Solar Energy Center-GO-80 for solar thermal
92 collectors;

93 (C) For Energy Star certified geothermal heat pump systems as described in
94 subparagraph (a)(2)(B) of this Code section, the sum of \$100,000.00;

95 (D) For a lighting retrofit project as described in division (a)(2)(C)(i) of this Code
96 section, the sum of \$0.60 per square foot of the building with a maximum of
97 \$100,000.00; and

98 (E) For an energy efficient building as described in division (a)(2)(C)(ii) of this Code
99 section, the sum of the cost of energy efficient products installed during construction
100 at \$1.80 per square foot of the building, with a maximum of \$100,000.00.

(c) The authority shall be authorized to adopt rules and regulations to provide for the administration of any grant provided by this Code section. Specifically, the authority shall create a mechanism to track and report the status and availability of grants for the public to review at a minimum on a quarterly basis.

(d) The authority shall provide an annual report of:

(1) The number of persons that claimed the grants allowed in this Code section;

(2) The cost of clean energy property with respect to which grants were issued;

(3) The type of clean energy property installed and the location;

(4) A determination of associated energy and economic benefits to the state; and

(5) The total amount of grants allowed."

SECTION 1C.

Said title is further amended by revising Code Section 50-25-8, relating to tax exemptions for the Georgia Technology Authority, as follows:

"50-25-8.

It is found, determined, and declared that the creation of the authority and the carrying out of its corporate purposes are in all respects for the benefit of the people of this state and are public purposes and that the authority will be performing an essential governmental function in the exercise of the powers conferred upon it by this chapter. The authority shall be required to pay no taxes or assessments upon any property acquired or under its jurisdiction, control, possession, or supervision. The tax exemption provided for in this Code section shall include an exemption from all sales and use tax on property purchased or used by the authority."

SECTION 2.

This Act shall become effective 30 days after the date it is approved by the Governor or becomes law without such approval.

SECTION 3.

All laws and parts of laws in conflict with this Act are repealed.